



## EXECUTING A MARKETING PLAN THAT IS BEST FOR YOUR AGRI-BUSINESS

Summer wasted no time in arriving this year! Crops are off to a good start, but as we know timing will be everything with rain. We are now into the time of year where you likely have marketing the rest of your 2017 crop on your mind as well as finding opportunities for the 2018 crop and possibly beyond. Our friends at Hurley and Associates provide some thoughts on marketing, and they also reached out to let us know that they are putting on

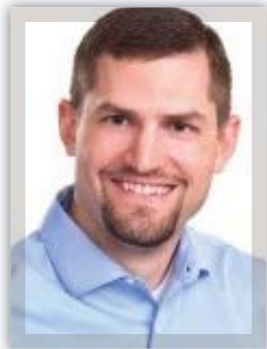
some marketing classes that they will hold in our area. Feel free to contact them directly to sign up! Contact info is in the article below.



**KEITH KNUDSEN**  
PRESIDENT/CEO | SECURITY BANK

## CAN THE RIGHT FRAME OF MIND HELP YOUR AGRI-BUSINESS REACH ECONOMIC STABILITY?

by Andrew Fink | Hurley & Associates, Agri-Marketing Centers



Marketing is a hot topic. Whether you enjoy marketing or despise even thinking about it, the fact remains that it is a critical aspect of your operation! You do not have to look far to find a market opinion, price prediction, or advice on when to sell (or not to sell) your crop. How are you supposed to digest all of this information in order to make the right decision?

We have found that most producers will fall into one of two camps for making decisions: Business Minded vs. Market Minded. Market-minded decision makers are either right or wrong depending on how the market behaves. On the other hand, business-minded decision makers use logic to guide actions and act proactively with confidence.

In either case, both marketing styles have equal amounts of market risk and their ability to predict market prices is equally as ineffective. So what separates the two? How can one operation consistently outperform another in an unpredictable environment? The table below illustrates a few characteristics that we have found create differentiation.

BUSINESS MINDED	MARKET MINDED
Has a market plan and takes action when goals are met	Reacts to the market and is paralyzed from taking action by market noise and emotion
Is mindful of downside price risk and protecting their bottom line	Primary fear is selling too early and missing out on market upside
Educated on a wide array of marketing tools and uses them appropriately	Is unfamiliar with the tools available and markets mostly in the spot cash market
Knows how to utilize on farm storage as a basis and carry management tool	Primarily uses storage as a means to speculate on market price
Has a team of trusted business advisors that they utilize to develop business plans	Often seeks advice or commentary that supports their market bias

The unfortunate thing about agriculture is that the status quo is to be market minded. As we have discussed this topic with lenders over the years, it is safe to say that approximately 80% of producers will lean more towards the market side than the business side of the table.

Hurley and Associates has been working since 1988 to help farm operations move towards the business side of the table in order to realize the benefits of economic stability. Below you will find the

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details for a series of classes during the month of July. Every operation is unique, so there will be a few different options for you to customize your education. Feel free to attend multiple classes, there will be some overlap but not very much. Please try to register at least 3 days in advance, as space in each class will be limited. The location for each class will be the Security Bank in each respective town. To register, please call our office at 605-692-1533.

## HURLEY & ASSOCIATES CLASSES

### MARKETING FUNDAMENTALS

**JULY 10TH | SB OSMOND**

- 10:00 am - Noon
- Lunch to Follow

**JULY 23RD | SB LAUREL**

- 10:00 am - Noon
- Lunch to Follow

- Operational differentiators that impact marketing
- Framework for building a market plan
- Overview of tools and methods to manage futures and basis risk independently
- Managing basis and carry using on farm storage

### EXPAND YOUR MARKETING TOOLBOX

**JULY 10TH | SB OSMOND**

- 1:00 pm - 3:00 pm

**JULY 23RD | SB LAUREL**

- 1:00 pm - 3:00 pm

- Review of differentiators and building a market plan
- Applications for short-dated options
- Hedging strategies using options
- Case Study Review

### INDIVIDUAL CONSULTATION

**JULY 11TH | SB OSMOND**

**JULY 23RD | SB LAUREL**

**JULY 24TH | SB HARTINGTON**

- 5 Time Slots
- 2 Time Slots (Afternoon)
- 5 Time Slots

- This one-on-one style offers the convenience of learning at your own pace and exploring applications specific to your operation.
- Participants should expect to learn actionable ideas to improve their marketing, including the framework for establishing a market plan.

### GOLF OUTING

**JULY 10TH @ TATANKA GOLF RESORT | NIOBRARA**

- 4:00 pm - 8:00 pm

- All class participants are welcome to join us for a round of golf on July 10th!



### TO REGISTER & FOR MORE INFORMATION

Please call Hurley & Associates at 605-692-1533

Please try to register at least **3 days** in advance, as space in each class will be limited. The location for each class will be the Security Bank in each respective town.

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**QUESTIONS?** Our lenders are here for you!

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